

EXHIBIT 1

DISTRIBUTION FORMULA

Subject to Paragraphs 18 and 19 of the Consent Decree, Defendants, including Up-To-Date Laundry, Inc. (UTDL), will be paying a total of \$1,830,000 in six deposits, under the schedule set forth in Paragraph 17 of the Decree.

1. There will be three distributions of money to eligible individuals. Provided that there is no appeal of any order finally approving the Consent Decree, these distributions will occur:

- (a) within 180 days of the first deposit;
- (b) within 90 days of the third deposit;
- (c) within 90 days of the sixth deposit.

Any interest that accrues on deposits may be used to defray expenses associated with costs of administration and monitoring of the Consent Decree.

2. To be eligible for a distribution of money, an individual (a) must be an African American who was employed by UTDL as an hourly worker in a non-management position in Departments 100 through 500 at any time from August 1, 1998 through January 23, 2004, and (b) must submit a valid Claim Form.

3. All eligible individuals who worked at UTDL at all from August 1, 1998 through December 31, 1999 will receive back pay in an amount equal to one dollar for each hour worked during this period. These payments will be subject to legally required withholding.

4. After the total amount of back pay has been determined, and after the amounts in Paragraphs 5 and 6 have been set aside, all remaining amounts from each deposit will comprise a Damages Fund. Payments from this Fund will be made in accordance with a formula in which eligible individuals are credited with points based on length of service (measured in blocks of 160 hours, which is approximately one month), and time of service:

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| (a) fewer than 160 hours | 0 points |
| (b) each block of 160 hours between 7/1/01 and 1/23/04 | 1 point |
| (c) each block of 160 hours between 8/1/98 and 6/30/01 | 4 points |

After all eligible individuals have been given points, the points will be totaled, and each individual's percentage of the total points will be computed (for example, 1.2%). The same percentage will then be applied to the money in the Damages Fund, and the resulting amount will be distributed.

5. From the first deposit, \$12,500 will be disbursed to each of the five class representatives as a premium for their representation of the class. In addition, a total of \$100,000 will be set aside to defray costs of administration and monitoring, \$50,000 from each of the first two deposits. To the extent that the full \$100,000 is not needed to defray costs of administration and monitoring,

the unused balance will be distributed to eligible individuals in accordance with this formula. The same will be true of any interest on deposits.

6. Class counsel will be entitled to \$525,000 in attorneys' fees and \$85,000 in expenses, or a total of \$610,000, to be disbursed as follows: \$155,000 from the first deposit, \$155,000 from the second deposit, \$150,000 from the third deposit, and \$50,000 from each of the last three deposits.

7. If following all distributions, there is a remainder of undistributed funds that is less than \$7,500, that remainder will not be distributed but will instead be donated to the NAACP Legal Defense and Education Fund, Inc.